

## CONDOMINIUM PUBLIC REPORT

Prepared &  
Issued by:

Developer FANTAN LLC, a Hawaii limited liability company  
Business Address 1805 Willow Tree Lane, Reno, Nevada 89509

Project Name (\*): The Pio Ocean View Apartments  
Address: 509 Pio Place, Wailuku, Maui, Hawaii 96793

Registration No. 5906

Effective date: September 28, 2007

Expiration date: October 28, 2008

### Preparation of this Report:

This report has been prepared by the Developer pursuant to the Condominium Property Act, Chapter 514A, Hawaii Revised Statutes, as amended. This report is not valid unless the Hawaii Real Estate Commission has issued a registration number and effective date for the report.

This report has not been prepared or issued by the Real Estate Commission or any other government agency. Neither the Commission nor any other government agency has judged or approved the merits or value, if any, of the project or of purchasing an apartment in the project.

**Buyers are encouraged to read this report carefully, and to seek professional advice before signing a sales contract for the purchase of an apartment in the project.**

Expiration Date of Reports: Preliminary Public Reports and Final Public Reports automatically expire thirteen (13) months from the effective date unless a Supplementary Public Report is issued or unless the Commission issues an order, a copy of which is attached to this report, extending the effective date for the report.

Exception: The Real Estate Commission may issue an order, a copy of which shall be attached to this report, that the final public report for a two apartment condominium project shall have no expiration date.

### Type of Report:

       **PRELIMINARY:**  
**(yellow)**

The developer may not as yet have created the condominium but has filed with the Real Estate Commission minimal information sufficient for a Preliminary Public Report. A Final Public Report will be issued by the developer when complete information is filed.

       **FINAL:**  
**(white)**

The developer has legally created a condominium and has filed complete information with the Commission.

- ☐ No prior reports have been issued.
- ☐ This report supersedes all prior public reports.
- ☐ This report must be read together with

  X   **SUPPLEMENTARY:**  
**(pink)**

This report updates information contained in the:

- ☐ Preliminary Public Report dated: \_\_\_\_\_
- ☒ Final Public Report dated: June 30, 2006
- ☐ Supplementary Public Report dated: \_\_\_\_\_

And

- ☐ Supersedes all prior public reports.
- ☒ Must be read together with Final Public Report issued June 30, 2006
- ☒ This report reactivates the Final  
public report(s) which expired on July 30, 2007

(\*) Exactly as named in the Declaration

*This material can be made available for individuals with special needs. Please call the Senior Condominium Specialist at 586-2643 to submit your request.*

FORM: RECO-30 286/986/189/1190/892/0197/1098/0800/0203/0104/0107

The entire project was purchased by FANTAN LLC, a Hawaii limited liability company by Apartment Deed dated September 2, 2006, recorded in the Bureau of Conveyances as Document No. 2006-164659, therefore, the following changes were made:

- Page 1: The Developer's name and business address changed.  
The Type of Report was also changed from a Final to a Supplementary.
- Page 5: The names and addresses for the Developer, Real Estate Broker, Escrow, Condominium Managing Agent and Attorney for Developer were changed.
- Page 14: The date of the title report and name of escrow company were changed.
- Page 15: The blanket liens were removed.
- Page 18: The date of the escrow agreement was changed.
- Page 19: The date of the filing was left blank.  
The paperstock was changed to pink.
- Page 21: New signatures were obtained.
- Exhibit G: A revised Exhibit G is attached.
- Exhibit H: A new Exhibit H was prepared.

**SPECIAL NOTICE:**

**The Developer's Final Public Report expired on July 30, 2007. Pursuant to Section 16-107-19, Hawaii Administrative Rules, sales contracts executed during the period that the Public Report was not in effect may be rescinded at the option of the purchaser and all monies refunded to the purchaser. The purchaser's right to rescind under this rule shall be void thirty (30) calendar days after receipt of written notification of these rights from the Developer or his real estate agent.**

## I. PERSONS CONNECTED WITH THE PROJECT

Developer: Fantan LLC Phone: (775)355-2150  
Name\* (Business)  
1805 Willow Tree Lane  
Business Address  
Reno, Nevada 89509

Names of officers and directors of developers who are corporations; general partners of a partnership; partners of a Limited Liability Partnership (LLP); or manager and members of a Limited Liability Company (LLC) (attach separate sheet if necessary):  
Members: Gary Owen and Joanne Owen  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Estate Broker\*: Wesley J. Barut Phone: (808) 891-0785  
dba Maui Tropical Realty (Business)  
Name  
1325 S. Kihei Road, Ste. 221  
Business Address  
Kihei, Maui, Hawaii 96753

Escrow: Old Republic Title & Escrow Phone: (808) 871-2800  
Attention Jeannie Wenger (Business)  
Name  
380 Huku Li'I Pl., Ste. 206  
Business Address  
Kihei, Maui, Hawaii 96753

General Contractor\*: N/A Phone: \_\_\_\_\_  
Name (Business)  
Business Address  
\_\_\_\_\_

Condominium Managing Agent\*: SRH, Inc. Phone: (808) 877-9449  
dba ERA Pacific Properties (Business)  
Name  
225 Piikea Avenue #92  
Business Address  
Kahului, Maui, Hawaii 96732

Attorney for Developer: David M. Jorgensen, Esq. Phone: (808) 242-4555  
Ing, Horikawa, Jorgensen & Stewart (Business)  
Name  
2145 Wells St., Ste. 204  
Business Address  
Wailuku, Maui, Hawaii 96793

\* For Entities: Name of corporation, partnership, Limited Liability Partnership (LLP), or Limited Liability Company (LLC)

2. Limited Common Elements: Limited Common Elements are those common elements which are reserved for the exclusive use of the owners of certain apartments.

☐ There are no limited common elements in this project.

☒ The limited common elements and the apartments which use them, as described in the Declaration, are:

☒ described in Exhibit E.

☐ as follows:

3. Common Interest: Each apartment will have an undivided fractional interest in all of the common elements. This interest is called the "common interest." It is used to determine each apartment's share of the maintenance fees and other common profits and expenses of the condominium project. It may also be used for other purposes, including voting on matters requiring action by apartment owners. The common interests for the apartments in this project, as described in the Declaration, are:

☒ described in Exhibit F.

☐ as follows:

- E. Encumbrances Against Title: An encumbrance is a claim against or a liability on the property or a document affecting the title or use of the property. Encumbrances may have an adverse effect on the property or your purchase and ownership of an apartment in the project.

Exhibit G\* describes the encumbrances against the title contained in the title report dated JUL 10 2007 and issued by Old Republic Title & Escrow of Hawaii

\*Any existing mortgages and ancillary encumbrances must be released before the developer conveys the apartment to a buyer.

**Blanket Liens:**

A blanket lien is an encumbrance (such as a mortgage) on the entire condominium project that secures some type of monetary debt (such as a loan) or other obligation. A blanket lien is usually released on an apartment-by-apartment basis upon payment of specified sums so that individual apartments can be conveyed to buyers free and clear of the lien.

[X] There are no blanket liens affecting title to the individual apartments.

[ ] There are blanket liens which may affect title to the individual apartments.

Blanket liens (except for improvement district or utility assessments) must be released before the developer conveys the apartment to a buyer. The buyer's interest will be affected if the developer defaults and the lien is foreclosed prior to conveying the apartment to buyer.

<u>Type of Lien</u>	<u>Effect on Buyer's Interest and Deposit if Developer Defaults or Lien is Foreclosed <b>Prior to Conveyance</b></u>
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**F. Construction Warranties:**

Warranties for individual apartments and the common elements, including the beginning and ending dates for each warranty, are as follows:

1. Building and Other Improvements:

There are no warranties regarding the building and other improvements.  
Sold "as-is".

2. Appliances:

There are no warranties regarding the appliances.  
Sold "as-is".

## V. MISCELLANEOUS

### A. Sales Documents Filed With the Real Estate Commission:

Sales documents on file with the Real Estate Commission include but are not limited to:

- ☐ Notice to Owner Occupants
- ☒ Specimen Sales Contract  
Exhibit I contains a summary of the pertinent provisions of the sales contract.
- ☒ Escrow Agreement dated July 19, 2007  
Exhibit J contains a summary of the pertinent provisions of the escrow agreement.
- ☐ Other \_\_\_\_\_

### B. Buyer's Right to Cancel Sales Contract:

#### 1. Rights Under the Condominium Property Act (Chapter 514A, HRS):

Preliminary Report: Sales made by the developer are not binding on the prospective buyer. Sales made by the developer may be binding on the developer unless the developer clearly states in the sales contract that sales are not binding. A prospective buyer who cancels the sales contract is entitled to a refund of all moneys paid, less any escrow cancellation fee up to \$250.00.

Supplementary Report to a Preliminary Report: Same as for Preliminary Report.

Final Report or Supplementary Report to a Final Report: Sales made by the developer are binding if:

- A) The Developer delivers to the buyer a copy of:
  - 1) Either the Final Public Report **OR** the Supplementary Public Report which has superseded the Final Public Report for which an effective date has been issued by the Real Estate Commission; **AND**
  - 2) Any other public report issued by the developer prior to the date of delivery, if the report was not previously delivered to the buyer and if the report has not been superseded;
- B) The buyer is given an opportunity to read the report(s); **AND**
- C) One of the following has occurred:
  - 1) The buyer has signed a receipt for the report(s) and waived the right to cancel; or
  - 2) Thirty (30) days have passed from the time the report(s) were delivered to the buyer; or
  - 3) The apartment is conveyed to the buyer within 30 days from the date the report(s) were delivered to the buyer.

Material Change: Binding contracts with the Developer may be rescinded by the buyer if:

- A) There is a material change in the project which directly, substantially, and adversely affects (1) the use or value of the buyer's apartment or its limited common elements; or (2) the amenities available for buyer's use; **AND**
- B) The buyer has not waived the right to rescind.

If the buyer rescinds a binding sales contract because there has been a material change, the buyer is entitled to a full and prompt refund of any moneys the buyer paid.

2. Rights Under the Sales Contract: Before signing the sales contract, prospective buyers should ask to see and carefully review all documents relating to the project. If these documents are not in final form, the buyer should ask to see the most recent draft. These include but are not limited to the:
- A) Condominium Public Reports issued by the developer which have been issued an effective date by the Hawaii Real Estate Commission.
  - B) Declaration of Condominium Property Regime, as amended.
  - C) Bylaws of the Association of Apartment Owners, as amended.
  - D) House Rules, if any.
  - E) Condominium Map, as amended.
  - F) Escrow Agreement.
  - G) Hawaii's Condominium Property Act (Chapter 514A, HRS, as amended) and Hawaii Administrative Rules, (Chapter 16-107, adopted by the Real Estate Commission, as amended).
  - H) Other \_\_\_\_\_

Copies of the condominium and sales documents and amendments made by the developer are available for review through the developer or through the developer's sales agent, if any. The Condominium Property Regime law (Chapter 514A, HRS) and the Administrative Rules (Chapter 107) are available online. Please refer to the following sites:

Website to access official copy of laws: [www.capitol.hawaii.gov](http://www.capitol.hawaii.gov)

Website to access unofficial copy of laws: [www.hawaii.gov/dcca/hrs](http://www.hawaii.gov/dcca/hrs)

Website to access rules: [www.hawaii.gov/dcca/har](http://www.hawaii.gov/dcca/har)

This Public Report is a part of Registration No. 5906 filed with the Real Estate Commission on January 30, 2006.

Reproduction of Report. When reproduced, this report must be on:

☐ YELLOW paper stock

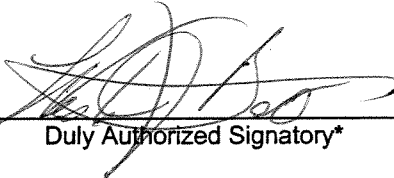
☐ WHITE paper stock

☒ PINK paper stock

- D. The developer declares subject to the penalties set forth in section 514A-49(b) that this project is in compliance with all county zoning and building ordinances and codes, and all other county permitting requirements applicable to the project, pursuant to Act 251 (SLH 2000) [Section 514A-1.6] (The developer is required to make this declaration for issuance of an effective date for a final public report.)
- E. The developer hereby certifies that all the information contained in this Report and the Exhibits attached to this Report and all documents to be furnished by the developer to buyers concerning the project have been reviewed by the developer and are, to the best of the developer's knowledge, information and belief, true, correct and complete.

FANTAN LLC, a Hawaii limited liability company

Printed Name of Developer

By:   
Duly Authorized Signatory\*

7-19-07

Date

WESLEY BARUT, Its Agent

Printed Name & Title of Person Signing Above

Distribution:

Department of Finance, County of Maui

Planning Department, County of Maui

***\*Must be signed for a: corporation by an officer; partnership or Limited Liability Partnership (LLP) by the general partner; Limited Liability Company (LLC) by the manager or member; and for an individual by the individual.***



## **EXHIBIT G**

### **Encumbrances Against Title**

1. Real property taxes which may be due and owing. Reference is made to the Tax Assessor's Office, County of Maui.
2. Title to all mineral and metallic mines reserved to the State of Hawaii.
3. A 15-foot building setback line, as shown on File Plan No. 709.
4. Easement Q, for utility purposes, as shown on Tax Map.
5. An easement affecting that portion of said land and for the purposes stated herein and incidental purposes as provided in the following  

Granted To	: MAUI ELECTRIC COMPANY, LIMITED and GTE HAWAIIAN TELEPHONE COMPANY INCORPORATED (now known as Hawaiian Telcom Inc.)
For	: An easement for utility purposes
Dated	: December 4, 1961
Recorded	: in the Bureau of Conveyances, State of Hawaii, in Book 4181, Page 276
6. Covenants, conditions, restrictions, reservations, agreements, obligations, easements and other provisions set forth in Deed dated March 19, 1968, recorded in the Bureau of Conveyances, State of Hawaii, in Book 6006, Page 73, but deleting any covenant, condition or restriction indicating a preference, limitation or discrimination based on race, color, religion, sex, handicap, familial status, or natural origin to the extent such covenants, conditions or restrictions violate 42 USC 3604(c) or Section 515-6, HRS.
7. 

Agreement for	: ENCROACHMENT
Executed By	: ASSOCIATION OF APARTMENT OWNERS OF PUUONE TERRACE, as the First Party
and Between	: GEEHOU GOO, wife of Shih Hung Goo, as the Second Party

On the terms, covenants and conditions contained therein,

Dated	: March 15, 1994
Recorded	: in the Bureau of Conveyances, State of Hawaii, as Document No. 94-060151

NOTE: A portion of Second Party's rock wall encroaches into First Party's property by approximately one (1) foot for approximately seventy-five (75) feet of First Party's property.

8. Agreement for : LICENSE  
Executed By : COUNTY OF MAUI, a political subdivision of the State of Hawaii, as  
Licensor  
and Between : GEEHOU GOO, wife of Shih Hung Goo, as Licensee

On the terms, covenants and conditions contained therein,

Dated : February 24, 1997  
Recorded : in the Bureau of Conveyances, State of Hawaii, as Document No. 97-031209

9. Condominium Map No. 4156, filed in the Bureau of Conveyances, State of Hawaii.

10. Matters in an instrument that, among other things, contain or provide for easements, assessments, liens and their subordination; provisions relating to partition, restrictions on severability of component interest, covenants, conditions and restrictions, provision that no violation thereof and no enforcement of any lien provided for therein shall defeat or render invalid the lien of a mortgage or deed of trust made in good faith and for value, but omitting and covenants or restrictions if any, based upon race color, religion, sex, handicap, familial status, or national origin unless and only to the extent that said covenant (a) is exempt under Title 42, Section 3607 of the United States Code or (b) relates to handicap but does not discriminate against handicapped persons.

Entitled : Declaration of Condominium Property Regime  
Recorded : January 27, 2006 in the Bureau of Conveyances, State of Hawaii, as Document No. 2006-017680

#### AMENDED AND RESTATED DECLARATION OF CONDOMINIUM PROPERTY REGIME OF THE PIO OCEAN VIEW APARTMENTS

Dated : May 19, 2006  
Recorded : May 23, 2006 in the Bureau of Conveyances, State of Hawaii, as Document No. 2006-096511

Liens and charges for upkeep and maintenance as provided in the above mentioned Covenants, Conditions and Restrictions, if any, where no notice thereof appears on record.

For information regarding the current status of said liens and/ or assessments  
Contact : ASSOCIATION OF APARTMENT OWNERS OF PIO OCEAN VIEW APARTMENTS

11. By-Laws of the Association of Apartment Owners of PIO OCEAN VIEW APARTMENTS, recorded January 27, 2006 in the Bureau of Conveyances, State of Hawaii, as Document No. 2006-017681.

**Exhibit H  
Maintenance Fees**

<u>Apartment No.</u>	<u>Monthly Fee</u>	<u>x12 Mnths = Yearly Total</u>
101	\$245.35	\$2,944.24
102	\$245.35	\$2,944.24
103	\$245.35	\$2,944.24
104	\$245.35	\$2,944.24
105	\$245.35	\$2,944.24
106	\$245.35	\$2,944.24
107	\$245.35	\$2,944.24
108	\$245.35	\$2,944.24
201	\$265.12	\$3,181.43
202	\$265.12	\$3,181.43
203	\$265.12	\$3,181.43
204	\$265.12	\$3,181.43
205	\$265.12	\$3,181.43
206	\$265.12	\$3,181.43
207	\$265.12	\$3,181.43
208	<u>\$265.12</u>	<u>\$3,181.43</u>
Total	\$4,083.78	\$49,005.36

The Real Estate Commission has not reviewed the estimates of maintenance fee assessments and disbursements for their accuracy or sufficiency.

Case	Age	Sex	Occupation	Duration of illness	Site of lesion	Pathological changes	Microscopic findings	Diagnosis
1	45	Male	Farmer	10 years	Brain	Chronic	Microscopic findings	Chronic
2	55	Female	Housewife	5 years	Brain	Chronic	Microscopic findings	Chronic
3	65	Male	Teacher	15 years	Brain	Chronic	Microscopic findings	Chronic
4	75	Female	Retiree	20 years	Brain	Chronic	Microscopic findings	Chronic
5	85	Male	Farmer	25 years	Brain	Chronic	Microscopic findings	Chronic
6	95	Female	Housewife	30 years	Brain	Chronic	Microscopic findings	Chronic
7	105	Male	Teacher	35 years	Brain	Chronic	Microscopic findings	Chronic
8	115	Female	Retiree	40 years	Brain	Chronic	Microscopic findings	Chronic
9	125	Male	Farmer	45 years	Brain	Chronic	Microscopic findings	Chronic
10	135	Female	Housewife	50 years	Brain	Chronic	Microscopic findings	Chronic
11	145	Male	Teacher	55 years	Brain	Chronic	Microscopic findings	Chronic
12	155	Female	Retiree	60 years	Brain	Chronic	Microscopic findings	Chronic
13	165	Male	Farmer	65 years	Brain	Chronic	Microscopic findings	Chronic
14	175	Female	Housewife	70 years	Brain	Chronic	Microscopic findings	Chronic
15	185	Male	Teacher	75 years	Brain	Chronic	Microscopic findings	Chronic
16	195	Female	Retiree	80 years	Brain	Chronic	Microscopic findings	Chronic
17	205	Male	Farmer	85 years	Brain	Chronic	Microscopic findings	Chronic
18	215	Female	Housewife	90 years	Brain	Chronic	Microscopic findings	Chronic
19	225	Male	Teacher	95 years	Brain	Chronic	Microscopic findings	Chronic
20	235	Female	Retiree	100 years	Brain	Chronic	Microscopic findings	Chronic

[illegible][illegible]

4083.36	4083.36	4083.36	4083.36	4088.4	4083.36	4083.36	4083.36	4083.36	4083.36	\$49,005.36
4083.36	4083.36	4083.36	4083.36	4088.4	4083.36	4083.36	4083.36	4083.36	4083.36	

[illegible][illegible][illegible]

Line	Description	Amount	Balance
1	10/1/2019		
2	10/1/2019		
3	10/1/2019		
4	10/1/2019		
5	10/1/2019		
6	10/1/2019		
7	10/1/2019		
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9	10/1/2019		
10	10/1/2019		
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101	10/1/2019		
102			

**\$ 3,005.00**

509 Pio Place  
20 YEAR CASH FLOW PLAN  
Year 2006

	2006	2007	2008	2009	2010	2011	2012	2013	2014
TOTAL REPLACEMENT COST	152,200.00	158,288.00	164,619.52	171,204.30	178,052.47	185,174.57	192,581.55	200,284.82	208,296.21
X 4% annual cost adjustment	6,088.00	6,331.52	6,584.78	6,848.17	7,122.10	7,406.98	7,703.26	8,011.39	8,331.85
TOTAL COSTS	158,288.00	164,619.52	171,204.30	178,052.47	185,174.57	192,581.55	200,284.82	208,296.21	216,628.06
AMORTIZE 20 YEARS	7,914.40	8,230.98	8,560.22	8,902.62	9,258.73	9,629.08	10,014.24	10,414.81	10,831.40
PER MONTH	659.53	685.91	713.35	741.89	771.56	802.42	834.52	867.90	902.62
MONTHLY RESERVE PER OWNER	41.22	42.87	44.58	46.37	48.22	50.15	52.16	54.24	56.41

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
216,628.06	225,293.18	234,304.91	243,677.10	253,424.19	263,561.16	274,103.60	285,067.75	296,470.46	308,329.27	320,662.44
8,665.12	9,011.73	9,372.20	9,747.08	10,136.97	10,542.45	10,964.14	11,402.71	11,858.82	12,333.17	12,826.50
225,293.18	234,304.91	243,677.10	253,424.19	263,561.16	274,103.60	285,067.75	296,470.46	308,329.27	320,662.44	333,488.94
11,264.66	11,715.25	12,183.86	12,671.21	13,178.06	13,705.18	14,253.39	14,823.52	15,416.46	16,033.12	16,674.45
938.72	976.27	1,015.32	1,055.93	1,098.17	1,142.10	1,187.78	1,235.29	1,284.71	1,336.09	1,389.54
58.67	61.02	63.46	66.00	68.64	71.38	74.24	77.21	80.29	83.51	86.85

509 Pio Drive  
Reserve Study - 20 Year  
Cash Flow Basis  
Calendar Year 2006

[illegible]

Year 0 1 4

Page 2



Years 15-21

[illegible]